

## Medicare Prescription Drug Coverage

### “Information for MSP Recipients and SSI Recipients Who Do Not Have Medicaid”



#### A Question and Answer Guide Produced by the CHOICES Program

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On January 1, 2006 Medicare will start a new program to pay for prescription drugs for everyone who has Medicare Part A or Part B.

If you have Medicare and the State of Connecticut pays your monthly Medicare Part B premium through the Medicare Savings Program (QMB, SLMB or ALMB), or if you are on Supplemental Security Income (SSI) and you do not have Medicaid (Title 19), you will qualify for the new Medicare prescription drug program. Please read this Guide to understand how the new program will affect you.

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**1. What is Medicare prescription drug coverage?** Medicare prescription drug coverage is a new program that will pay for prescription drugs, insulin and insulin supplies, and “stop-smoking” drugs for people on Medicare. It starts on January 1, 2006 and it’s also known as “Medicare Rx” and “Medicare “Part D.” You are eligible for Medicare prescription drug coverage if you have Medicare Part A or Part B.

**2. Will I get prescription drugs directly from Medicare?** No, Medicare won’t administer the new program directly. Instead, it will contract with private companies to provide the coverage. In Connecticut, there are 17 stand-alone Prescription Drug Plans (PDPs), and four Medicare Advantage plans (HMO or PPO) that offer Medicare prescription drug coverage. Most of these companies, in turn, offer several plans with different levels of coverage and costs. In addition, some employers may “wrap around” the new program to offer coverage through their retirement health plans.

**You will need to enroll in one of these plans to pay for your prescription drugs. If you do not enroll in a plan by May 15, 2006, Medicare will select one for you.**

**3. How does the new program work?** The Medicare prescription drug plan that you enroll in will give you a member card that you will use at the pharmacy. You may also be able to get prescriptions by mail if this feature is available in the plan you select. Whether you get your drugs through a retail or mail order pharmacy, you will pay a small co-pay (\$2 or \$5) for each prescription, and Medicare will pay the rest of the cost.

**4. How will I select a Medicare prescription drug plan?** In October, Medicare will send you the “Medicare & You 2006” handbook with information about the plans in your area. You need to study this information and ask the following questions at a minimum:

- Do you live in the plan’s service delivery area?
- Are the drugs you take now covered by the plan?
- Is the plan accepted at the pharmacy you use?

**IMPORTANT:** If you don’t enroll in a plan on your own by May 15, 2006, Medicare will randomly assign you to one of nine plans in Connecticut. This is being done to ensure that people on Medicare Savings Programs and SSI actually get the coverage, even if they forget to enroll in a plan. Medicare will tell you in advance which plan they have assigned you to. You can tell Medicare to enroll you in a different plan that you like better, or you can tell them not to enroll you in any plan. **NOTE:** If you tell Medicare not to enroll you in any plan, and later on you decide you want to join a plan, you may have a waiting period for coverage and your premiums may be more expensive.

**5. Can I switch plans after enrollment?** Yes, you can change plans anytime. The change will be effective the first day of the month after the month you request the change. E.g., if you ask to change your plan on June 10, your change will be effective July 1.

**6. What do I have to pay for Medicare prescription drug coverage?** Because you are on a Medicare Savings Program (or if you are on SSI but you do not have Medicaid), you are eligible for **Extra Help** to pay for coverage. **Your only cost will be a \$2 (generic) or \$5 (brand) co-pay for each prescription.** You will not have to pay an annual deductible, and you will not have to pay a premium unless you select a plan that has better than standard coverage. (For example, if a standard plan costs \$30 a month, and you choose a better plan that costs \$35 a month, you will have to pay the \$5 difference each month.)

**7. What if I have prescription coverage through ConnPACE?** If you are on ConnPACE, Medicare will become the primary payer for your prescription drugs. You will still have ConnPACE, but you will be required to apply for the Medicare prescription drug program so that ConnPACE can coordinate your benefits with Medicare. You will also be required to apply for the Extra Help. You will receive more information about this directly from ConnPACE. **You should also ask your CHOICES counselor for the special ConnPACE Q&A Guide.**

**8. What if I Have a Medicare Prescription Drug Discount Card?** If you have a Medicare Prescription Drug Discount Card you can continue to use it right up to the time you are enrolled a plan. It will automatically expire the day before your Medicare prescription drug coverage begins, or May 15, 2006, whichever comes first. You don't need to do anything to cancel it.

**9. What if I have other prescription drug insurance?** If you have prescription drug coverage other than ConnPACE, your insurer will send you a "Notice of Creditable Coverage" this fall. This Notice will tell you whether your existing coverage is "creditable," that is, whether it is as good as or better than Medicare. Use this information to decide whether to keep your existing coverage or change to Medicare prescription drug coverage. Call your Benefits Administrator if you don't receive this notice by November 14.

***Be sure to save this notice if you decide to stay with your present insurance!*** If you decide to enroll in a Medicare plan later on, you'll need to show you had creditable coverage in order to avoid a late enrollment penalty (1% of the national average premium amount for every month you waited to join after May 15, 2006). Ask CHOICES for more information about this.

## **10. What happens next?**

- If you have existing health insurance, this fall your insurer will send you a notice telling you whether your insurance is considered creditable. Be sure to save this notice, especially if you decide not to join a Medicare plan right away!
- In October 2005, Medicare will send you a handbook entitled "Medicare & You 2006." It will give you the names of Medicare prescription drug plans in your area.
- Starting October 13, you can compare plans on-line and see what drugs are covered by each plan. Go to Medicare's website and log onto their Plan Finder tool. Visit [www.medicare.gov](http://www.medicare.gov)
- Starting November 15, 2005 you will be able to enroll in the plan of your choice. You can apply directly to the plan or you can enroll on-line using the same Plan Finder tool described above. CHOICES can also help you enroll.
- If you enroll in a plan by December 31, 2005, your prescription coverage will be effective January 1, 2006. If you enroll after December 31, 2005, your coverage will begin the first of the month after the month you enroll. For example, if you enroll in February 2006, your coverage will begin March 1, 2006.

If you do not enroll in a plan by May 15, 2006, Medicare will randomly assign you to a plan. You can change plans later if you find one that better meets your needs.

**11. Where can I get more information?** Call **CHOICES** at **1-800-994-9422** to speak to a counselor at the Area Agency on Aging serving your area of the state. CHOICES counselors are trained and certified to assist you with your Medicare issues and concerns. They can also help with comparing and enrolling in a Medicare prescription drug plan and getting Extra Help to pay for premiums, deductibles, and co-pays.

You can also get more information from these on-line sources:

- **CHOICES:**  
<http://www.medicareadvocacy.org/CHOICES/ChoicesHome.htm>
- **Medicare:** [www.medicare.gov](http://www.medicare.gov)
- **Social Security:** [www.socialsecurity.gov](http://www.socialsecurity.gov)
- **Center for Medicare Advocacy:** [www.medicareadvocacy.org](http://www.medicareadvocacy.org)
- **Department of Social Services, Aging Services Division:**  
[www.ctelderlyservices.state.ct.us](http://www.ctelderlyservices.state.ct.us)

*CHOICES is a program of the State of Connecticut Department of Social Services, Aging Services Division, and serves as Connecticut's State Health Insurance Assistance Program (SHIP), as designated by the Centers for Medicare and Medicaid Services. CHOICES is administered in partnership with the Area Agencies on Aging and the Center for Medicare Advocacy, Inc.*



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This publication is not a legal document. The official Medicare provisions are contained in the relevant laws, regulations and rulings. This information is available in alternative formats. Call 1-800-994-9422. TDD/TTY users call 1-800-842-4524.